

AMENDED IN SENATE APRIL 23, 2007

SENATE BILL

No. 654

Introduced by Senator Denham

February 22, 2007

An act to add Section 5094.5 to the Business and Professions Code, relating to accountancy.

LEGISLATIVE COUNSEL'S DIGEST

SB 654, as amended, Denham. Accountants: licensing examination.

Existing law establishes the California Board of Accountancy in the Department of Consumer Affairs for the purpose of licensing and regulating public accountants. Existing law sets forth education requirements for applicants to take the accounting licensing examination, and requires that the education meet certain criteria, including accreditation criteria.

This bill would provide that, for the ~~sole purpose~~ *purposes* of qualifying applicants for admission to the accounting licensing examination ~~for and issuing licenses as a certified public accountant, the date on which~~ an educational institution applied for accreditation shall be accepted as the date on which the institution was accredited if the accreditation was obtained at any time during the 5-year period ~~subsequent to the application~~ *that received accreditation no more than 5 years after being accepted as a candidate for accreditation shall be deemed to have been accredited from the date the institution was accepted as a candidate.*

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature hereby finds and declares all of
2 the following:

3 (a) The current United States Department of Education
4 guidelines and Internet Web site concerning educational institutions
5 offering accounting degrees that are accredited, that are candidates
6 for accreditation, or that are unaccredited are misleading, confusing,
7 and give unclear direction to applicants and state agencies.

8 (b) The guidelines vaguely indicate that an educational
9 institution is accredited for financial aid purposes, however, the
10 institution may not yet be accredited for degree-granting purposes.

11 (c) Because of the confusing guidelines, certain applicants are
12 encouraged to apply for loans to attend an educational institution
13 for an accounting degree that will not qualify them to take a
14 certification examination.

15 (d) It is unfair to penalize applicants confused by those
16 guidelines by excluding them from taking the accounting
17 certification examination.

18 SEC. 2. Section 5094.5 is added to the Business and Professions
19 Code, to read:

20 5094.5. Notwithstanding any other provision of law, for the
21 ~~sole purpose~~ *purposes* of qualifying applicants for admission to
22 the examination for a certified public accountant, ~~the date on which~~
23 ~~an educational institution applied for accreditation shall be accepted~~
24 ~~as the date on which the institution was accredited if the~~
25 ~~accreditation was obtained at any time during the five-year period~~
26 ~~subsequent to the application.~~ *license and issuing a license as a*
27 *certified public accountant, an institution that received*
28 *accreditation no more than five years after being accepted as a*
29 *candidate for accreditation shall be deemed to have been*
30 *accredited from the date the institution was accepted as a candidate*
31 *for accreditation.*